

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
For Approval to Donate a Passenger)
Van to The Honolulu Theatre for Youth)
_____)

DOCKET NO. 2015-0240

DECISION AND ORDER NO. 33527

2016 FEB 12 P 12:21
PUBLIC UTILITIES
COMMISSION

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In the Matter of the Application of)	
HAWAIIAN ELECTRIC COMPANY, INC.)	
For Approval to Donate a Passenger)	Docket No. 2015-0240
Van to The Honolulu Theatre for Youth))	
_____)	Decision and Order No. 33527

DECISION AND ORDER

By this Order, and pursuant to Paragraph 13 of the "Conditions for the Merger and Corporate Restructuring of Hawaiian Electric Company, Inc." that is attached as Exhibit A to Order No. 7256, dated September 29, 1982, in Docket No. 4337, the commission approves HAWAIIAN ELECTRIC COMPANY, INC.'s ("HECO") request to donate a 2003 Chevrolet Express CG33706 Passenger Van (C073) ("Passenger Van") to the Honolulu Theatre for Youth ("HTY").

I.

Background

On August 24, 2015, HECO filed an application with the commission seeking approval to donate a Passenger Van to HTY.¹ The Passenger Van in question was purchased by HECO in 2003 and

¹Normally, HECO disposes of retired vehicles through a public auction. See Application at 2.

was used to transport construction personnel and equipment.² HECO explained that the Passenger Van has approximately 123,000 miles on it and is reaching the end of its useful life for utility purposes.³ In fact, HECO has already ordered a replacement van.

HECO further explained that, if the commission approves the donation, HECO "will record the transaction as a normal retirement with the original book cost recorded as a debit to Accumulated Depreciation and a credit to Utility Plant in Service" resulting in no gain or loss on the transaction.⁴ The Passenger Van was originally purchased for \$31,650 and has a net book value as of December 2015 of \$8,368.⁵

HTY, the proposed recipient of the donation, described itself as the only professional non-profit theatre and the largest independent provider of arts education in Hawaii.⁶ HTY stated that it is best known for "its long history of innovative drama education programming and the creation of original theatrical work" by, and for the benefit of,

²See Application at 2.

³See Application at 2.

⁴Application at 4.

⁵See Application at 4.

⁶See Application at 3.

young people.⁷ HTY provides theatrical productions at Tenney Theatre in downtown Honolulu, as well as two tour productions per year that reach preschools and elementary schools across Oahu.⁸ In addition, HTY's resident company of professional artists and educators travel to the most rural communities across the State.⁹

If the donation is approved, HTY explained that the Passenger Van would replace "a very old Chevy van" owned by HTY and would be used to transport both materials and staff safely across Oahu.¹⁰

On September 11, 2015, the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS ("Consumer Advocate"), filed its Statement of Position, informing the commission that it will not be participating in this proceeding.¹¹

⁷Application at 2.

⁸See Application at 3.

⁹See Application at 2.

¹⁰Application at 3.

¹¹The Consumer Advocate is an ex officio party to this docket pursuant to HRS § 269-51 and HAR § 6-61-62. The Consumer Advocate notes in its statement that its lack of participation in this docket should not be construed as either accepting, supporting, or adopting any of the positions proposed, justifications offered, or requested relief articulated in the Application.

II.

Findings And Conclusions

1. The transfer of any property which is or was a part of HECO's rate base is subject to Paragraph 13 of the "Conditions for the Merger and Corporate Restructuring of Hawaiian Electric Company, Inc."

2. Paragraph 13 provides as follows:

The Utility Corporation shall not transfer any of its property which is or was in the rate base nor assume any liabilities of Industries, directly or indirectly, without the prior approval of the Commission. The determination of the transfer value and the accounting and rate-making treatment thereof shall be determined by the Commission at the time of approval of such transfer.

3. The commission determines that approving HECO's requested transfer is reasonable and in the public interest.

4. The Passenger Van is of minimal value for utility purposes given its high mileage and the fact that a replacement van has been ordered.

5. The donation of the Passenger Van does not appear to infringe upon HECO's ability to provide safe and reliable service to its customers.

6. HECO's proposed accounting treatment of the donated van is reasonable and results in no impact on its customers.

7. The Passenger Van will be used by HTY, a non-profit corporation, to help achieve its stated mission of

"produc[ing] professional theatre and drama education programs that make a difference in the lives of young people, families and educators in the State of Hawaii."¹²

8. The commission will continue to examine each application or petition of this type and make determinations on a case-by-case basis. Thus, our granting of approval in this instance should not be construed by any public utility as a basis for engaging in regulated activity without having first secured an order by the commission authorizing it to do so.

III.

Orders

THE COMMISSION ORDERS:

1. HECO's request to donate a 2003 Chevrolet Express CG33706 Passenger Van (C073) to the Honolulu Theatre for Youth is approved; provided that the transaction is recorded as a normal retirement with the original book cost recorded as a debit to Accumulated Depreciation and a credit to Utility Plant in Service,

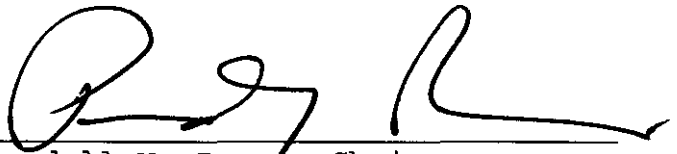
¹²Application at 2.

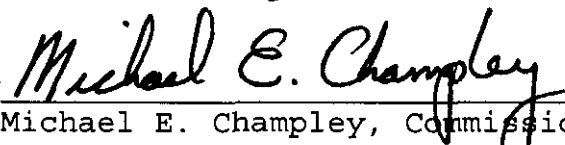
resulting in no gain or loss on the transaction.

2. This docket is closed unless otherwise ordered by the commission.

DONE at Honolulu, Hawaii FEB 12 2016.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Randall Y. Iwase, Chair

By 
Michael E. Champley, Commissioner

By 
Lorraine H. Akiba, Commissioner

APPROVED AS TO FORM:


Shannon Mears
Commission Counsel

2015-0240.ljk

CERTIFICATE OF SERVICE

The foregoing order was served on the date of filing by mail,
postage prepaid, and properly addressed to the following parties:

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DIVISION OF CONSUMER ADVOCACY
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